

# MAJOR U.S. SMALL BUSINESS ADMINISTRATION FINANCE PROGRAMS

FINANCE PROGRAMS	DEVELOPMENT CO. LOANS 504	7(A) REGULAR LOANS	SBAExpress	Community Express
<b>WHO CAN APPLY</b>	Same as Regular 7(A) Business Loans, except that the size standard is normally higher. Maximum net worth of \$7 million and maximum average profit of \$2.5 million a year.	For profit businesses that qualify as small under SBA size standards and cannot borrow on reasonable terms from conventional lenders without government help.	Same as Regular 7(A) Business Loans	Available to persons who meet the normal requirements, but must also: (a) be located in a "low or moderate income" urban or rural area, or (b) have a current or proposed business owned by minorities, women, or veterans.
<b>PURPOSE</b>	Fixed assets only - no working capital or debt refinancing.	Fixed assets, working capital or to finance start-ups or purchase an existing business; some debt payment allowed.	Fixed assets, working capital, lines of credit, some debt refinancing or to finance start-ups or purchase an existing business.	Fixed assets, working capital, lines of credit, some debt refinancing or to finance start-ups or purchase an existing business.
<b>MAXIMUM PERCENTAGE OF GOVERNMENT GUARANTEE</b>	The maximum amount of CDC/504 participation in a single project is \$1,500,000 (\$2,000,000 for projects that meet certain Public Policy Goals and \$4,000,000 for manufacturers), minimum is \$50,000.	85% of loans up to \$150,000. Loans over \$150,000 receive a 75% guaranty, subject to a \$1,500,000 guaranty limit.	50% of loan or the standard 7(a) guaranty for loans made for exporting	85% of loans up to \$150,000. Loans over \$150,000 receive a 75% guaranty.
<b>MAXIMUM LOAN AMOUNT</b>	The maximum amount of CDC/504 participation in a single project is \$1,500,000 (\$2,000,000 for projects that meet certain Public Policy Goals and \$4,000,000 for manufacturers), minimum is \$50,000. There is no limit on the project size.	\$2,000,000	\$350,000 or \$250,000 for Export Express	\$250,000
<b>MATURITY</b>	10 years for equipment 20 years for real estate.	5 to 7 years for working capital, up to 25 years for equipment & real estate. All other loan purposes would have a maximum term of 10 years.	Same as Regular 7(a) except that revolving lines of credit are limited to a maximum maturity of 7 years.	Same as Regular 7(a) except that lines of credit may revolve for only 5 years and must be repaid within no more than 7 years.
<b>MAXIMUM INTEREST RATES</b>	Based on current market rate for 5 and 10 year Treasury Bonds.	Prime plus 2-1/4% for maturities under 7 years. Prime plus 2-3/4% for maturities of 7 years or longer.	Bank Prime plus 6.5% for loans of \$50,000 or less, Bank Prime plus 4.5% for larger loans	Same as regular 7(a), plus a maximum additional rate of 1% if the loan is <\$50k & 2% if < \$25k
<b>FEES</b>	Up front fees of about 2.75% of the net debenture proceeds plus annual servicing and guaranty fees of 1.118% based on unpaid debenture balance. The CDC normally includes a charge of \$2,500 for their loan closing. The first mortgage lender's loan will have additional fees associated with it.	2% on guaranteed portion of loans up to \$150,000; 3% on the guaranteed portion of loans more than \$150,000, up to and including \$700,000; 3.5% on the guaranteed portion of loans more than \$700,000; plus an additional .25% on guarantee portion over \$1.0 million.	2% on guaranteed portion of loans up to \$150,000; 3% on the guaranteed portion of loans more than \$150,000. 1/4 of 1% for lines of credit up to one year.	2% on guaranteed portion of loans up to \$150,000; 3% on the guaranteed portion of loans more than \$150,000. 1/4 of 1% for lines of credit up to one year.
<b>SPECIAL FEATURES AND/OR REQUIREMENTS</b>	Generally, must create or retain one job for every \$50,000 of the debenture <u>or</u> for manufacturers one job created or retained for every \$100,000 of SBA funding.	SBA generally requires that the owner(s) inject 1/4 to 1/3 of the total assets needed to launch a new business.	No SBA application required. Loan credit authority delegated to the bank.	No SBA application required. Loan credit authority delegated to the bank. Program provides pre- and post-loan closing assistance in the form of marketing, financial, management and planning assistance.

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FINANCE PROGRAMS		CAPLines SEASONAL LINE OF CREDIT	CAPLines CONTRACT LOANS	CAPLines ASSET BASED LOANS
WHO CAN APPLY	.	Same as Regular 7(A) Business Loans however, must be an existing business.	Same as Regular 7(A) Business Loans however, must be an existing business.	Same as Regular 7(A) Business Loans however, must be an existing business.
PURPOSE		To finance working capital need arising from a seasonal increase in business activity.	To finance cost of labor and materials needed to perform on contract(s).	To finance working capital needs.
MAXIMUM PERCENTAGE OF GOVERNMENT GUARANTEE		85% of loans under \$150,000. Loans over \$150,000 may be guaranteed up to 75% guaranty, subject to a \$1,500,000 guaranty limit.	85% of loans under \$150,000. Loans over \$150,000 may be guaranteed up to 75% guaranty, subject to a \$1,500,000 guaranty limit..	85% of loans under \$150,000. Loans over \$150,000 may be guaranteed up to 75% guaranty, subject to a \$1,500,000 guaranty limit..
MAXIMUM LOAN AMOUNT		\$2,000,000	\$2,000,000	\$2,000,000 – Standard Asset Based. \$200,000 – Small Asset Based
MATURITY		Up to 5 years on either a revolving or non-revolving basis.	Up to 5 years on either a revolving or non-revolving basis.	Up to 5 years on either a revolving or nonrevolving basis.
MAXIMUM INTEREST RATES		Prime plus 2-1/4%.	Prime plus 2-1/4%.	Prime plus 2-1/4%.
FEES	.	1/4 of 1% of the guaranteed amount for maturity up to 12 months. For maturities exceeding 12 months, fees are the same as regular 7(a) Loans.	1/4 of 1% of the guaranteed amount for maturity up to 12 months. For maturities exceeding 12 months, fees are the same as regular 7(a) Loans.	1/4 of 1% of the guaranteed amount for maturity up to 12 months. For maturities exceeding 12 months, fees are the same as regular 7(a) Loans.
SPECIAL FEATURES AND/OR REQUIREMENTS		Business must have been in operation for 12 calendar months preceding application. Each seasonal cycle must mature within 11 months of disbursement.	Contract must be assignable. Must possess ability to bid & perform contracts at a profit.	Funds are only used to support an increase in existing accounts receivable or inventory.

Call the SBA Philadelphia District Office at (215) 580-2722 for additional information on any of these loan programs.